SECURITY INFORMATION

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CENTRAL INTELLIGENCE AGENCY

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COMMUNIST PARTY INTELLIGENCE OPERATIONS

Current Cases - III.

THE ESPIONAGE APPARATUS OF THE PRO-COMINFORM COMMUNIST PARTY OF TRIESTE

- A Tentative Outline -

JANUARY 1952

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U.S. OFFICIALS ONLY

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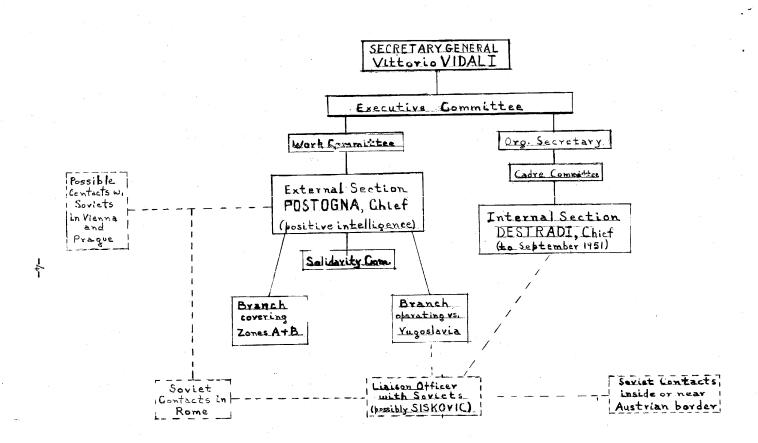
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PRO-COMINFORM C.P. TRIESTE INTELLIGENCE APPARATUS
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I. INTRODUCTION

- 1. Formation of the Trieste pro-Cominform Communist Party. Prior to August 1948, the Communist Party of Trieste was a single unit including both Slovene and Italian Communists of the area. With the Cominform denunciation of Marshal TITO on 28 June 1948, a split occurred which brought about a complete separation of the Party into two groups, one headed by Branko BABIC supporting TITO, and the other siding with the Cominform and headed by Vittorio VIDALI. The VIDALI group, reportedly the more numerous, is stated to have attracted not only most Italian Communists in Trieste but also many Slovene Communists in Zone A (the Anglo-American occupied zone), and also a few in Zone B (the Yugoslav-occupied zone). A purge was conducted immediately in all the Communist mass organizations, the Italo-Slovene Anti-Fascist Union (UAIS), the Italo-Slovene Anti-Fascist Women (UDAIS), the Sindacati Unici (SU), etc., clearing out all BABIC's followers in these groups. From 21 to 24 August 1948, the pro-Cominform group held an extraordinary Congress and elected a new Central Committee and Control Commission composed of Cominform supporters; thus came about the formation of the pro-Cominform Communist Party of Trieste. The Party was faced with the immediate task of finding new sources of revenue and this has apparently remained a problem from the time of its foundation. The Trieste Communist Party before the split had been financed largely by Yugoslavia, and the BABIC group was successful in retaining most of the funds and property.
- 2. Organization of the pro-Cominform Communist Party (CP). In general the pro-Cominform CP of Trieste has the same pattern of organization as that of national Communist Parties. Between Congresses the Party is governed by a Central Committee with an Executive Committee carrying out the day-to-day administration. There is the usual Central Control Commission, Cadre Commission and Organization Secretariat. The Party was formerly divided into rione (districts) but in late 1949 it was sub-divided into smaller units called sections, each section having a political and organizational secretary. One section is known to have nine cells, of which seven are street cells, one a Workers' Cooperative cell, and one a factory cell, the latter being considered the most important. The Section Committee (of this particular Section) is made up of nine members, one from each cell. The total number of members in the Section is estimated to be between five and six hundred, forty per cent of whom are active. As of August 1949, certain western observers in the Trieste area estimated the pro-Cominform CP's strength to be between 3,000 and 4,000 members; the Party's own figures at that time showed a membership of 5,000 persons. In a speech which he gave on 31 July 1951, VIDALI stated: "In the past we had approximately 3,000 Party members, while today the figure is four or fivefold." Because of the Party's tendency to exaggerate its size, VIDALI's figures should be taken with considerable reservation.

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- 3. Principal Functions of the pro-Cominform Trieste CP. The usual activities of a Communist Party in support of the Soviet Union are carried out by the Trieste pro-Cominform CP. Additionally, in the intelligence field the Party seems to have been given considerable responsibility for the mounting of operations against Yugoslavia and the Yugoslav organizations in Zone B. Presumably Trieste represents the USSR's principal base of attack (from propaganda and intelligence standpoints) against TITO due to:
 - (1) the relatively easier border controls between Yugoslavia and Trieste (as compared with those between Yugoslavia and Soviet-satellite countries);
 - (2) the collaboration of anti-TITO Yugoslav refugees living in Trieste;
 - (3) the presence of a Communist Party subservient to Soviet aims.

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II. SUMMARY OF AVAILABLE INFORMATION

- 4. Status until Fall of 1950. From 1948 to 1950 the intelligence apparatus of the pro-Cominform Party of Trieste came under the direction of a regional supervisor of the Communist Party of Italy (PCI), whose jurisdiction over Party intelligence work extended over Trieste, the Italian provinces of Friuli, Gorizia and probably over Venezia Giulia. Both positive and counterintelligence sections of the pro-Cominform CP intelligence organization functioning in Trieste were headed by one person, but under the direction of the regional supervisor. In approximately September 1950, at the instigation of Vittorio VIDALI, Secretary General of the pro-Cominform CP of Trieste, the intelligence unit functioning in Trieste was made independent of the PCI regional supervisor and was made subordinate only to VIDALI. This unit was split into two sections with one responsible for positive and the other for counter-intelligence, each completely independent of the other and responsible to VIDALI only.
- External Section. The positive intelligence unit--called the External Section--operates within a "Work Committee" which actually serves as a political reporting board for the Executive Committee of the pro-Cominform CP. The External Section is in turn sub-divided into two branches, one conducting espionage in Zones A and B of Trieste, and the other directing its activities against Yugoslavia. Principal targets of the External Section are purported to be: penetration of the Yugoslav Communist Party, the Yugoslav Army and other Yugoslav organizations in Yugoslavia and in Zone B; penetration of the pro-TITO (or BABIC) Communist Party in Zone A; the exploitation and control of Yugoslav refugees in Trieste. Directors of the External Section have been named as: Giovanni FOSTOGNA, chief, with Maria BERNETIC and Teodoro BALBI as his assistants. Karel SISKOVIC may also have a top-ranking position in the External Section.
- 6. Internal Section. The Party's counter-intelligence unit—or the Internal Section—is camouflaged within the Cadre Committee of the Central Organization Secretariat. The protection of the Party from anti-Communist (and anti-Cominformist) infiltration is apparently its primary function. Information of counterespionage nature collected from individual Party cell members—as appears to be true of positive intelligence information as well—is routed by cell organization secretaries through section organization secretaries to the Cadre Committee at Party headquarters. Until recently Alessandro DESTRADI probably served as chief of the Internal Section.
- 7. "Revolutionary Vigilance." As in France where the Communist Party justifies its collection of information on political, economic, military and other national activities by explaining the necessity of learning the intentions of the "reactionary adversary in the pay of foreign imperialists in order to organize the fight for independence

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and to protect the interests of the workers," so in Trieste, pro-Cominform CP espionage activity is justified on similar grounds. Here the term "revolutionary vigilance" appears to be used as explanation for any intelligence work done by Party members. Party directives stress that each member must continually be alert to protect the Party from the danger of infiltration and pro-Cominform CP members are encouraged to inform not only on persons outside the Party but on fellow Party members as well. Pro-Cominform Communists are warned that enemy agents abound in Trieste because of the importance—in spite of its small size—of the pro-Cominform CP of Trieste.

- 8. <u>Contact with Soviets</u>. Pro-Cominform CP intelligence liaison with the Soviets is possibly the responsibility of Karel SISKOVIC. UDB agents assigned to maintain surveillance over him assert that he has been in contact with Soviet representatives in Rome and in Austria.
- 9. Reported Changes in Party Leadership. Reports that the pro-Cominform CP of Trieste received orders in August or September 1951 from Moscow to remove from top Party positions all members who had been affiliated with Yugoslav Partisans during the liberation of the Venezia Giulia province, have been partially substantiated by reported transfers of Party members of this category to various points in Italy. Three persons probably connected with Party intelligence work have been affected by this order.

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III. STATUS OF THE PRO-COMINFORM GP INTELLIGENCE APPARATUS FROM 1948 TO 1950

- 10. Trieste Unit Formerly a Part of a Regional CP Net. Prior to September or October 1950, pro-Cominform CP positive intelligence activity for Trieste, the province of Friuli and probably also for the province of Venezia-Giulia was directed by Lino ZOCCHI, alias NINCI, who was ostensibly serving -- until the time of his arrest in November 1950 - as an Italian Communist Party "regional inspector" for the Friuli and Venezia-Giulia provinces. Under him Party intelligence activity was handled by the organizational secretaries of the respective Communist Party Federations with headquarters in Gorizia. ZOCCHI's espionage activity was apparently carried out under cover of a regional "Work Committee" which worked with the organization secretaries of those Federations under his jurisdiction. ZOCCHI, according to one report, was not only head of positive intelligence for the Communist Parties of this area, but also for the Soviet intelligence service, the MGB. His job was characterized as being particularly delicate since he was in charge of three Italian frontier regions. He was known to visit the headquarters of the pro-Cominform Party of Trieste at least twice a week. One of the tasks known to have been carried out by ZOCCHI and Maria SELLI, who worked with him in a Party building in Gorizia, was the translation of extracts from the Yugoslav press.
- ll. Independent Unit Set up for Trieste. In Trieste, the person directing the intelligence apparatus—both positive and counterintelligence units—and immediately responsible to ZOCCHI, was possibly Giuseppe GUSTINCICH, until he was replaced by Giovanni POSTOGNA about mid-1949. A large part of the apparatus, until September 1950, was reportedly concealed in a separate section in the Cadre Committee and among Party members this section was known to carry out "revolutionary"

Lino ZOCCHI was born 18 February 1910. In 1929 he went to France clandestinely remaining there until he went to Spain in 1936 and enlisted in the Red Brigade. During the civil war he was commander of a machine gun company of the 12th International Brigade. At the end of the Spanish war he returned to France where, in 1941, he was arrested, transferred to Italy and interned in Naples. After the armistice he was liberated and he carried out intensive partisan activity, favoring Yugoslav propaganda to that of Italy. In 1945, upon the liberation of Udine, he assumed the functions of the Questore for almost a month, then as Organization Secretary of the CP he went on to organize the Udine Communist Federation. Together with Giordano PRATOLONGO he was sent in 1946 to Trieste to direct the Information Office of the PCI directorate. In February 1947 he was appointed inspector of the Gorizia Federation of the PCI and in June 1947 he became secretary of that Federation.

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vigilance" functions. The Trieste apparatus continued to operate under the supervision of ZOCCHI until about September 1950 when, at VIDALI's orders, a reorganization took place and a Trieste Pro-Cominform CP intelligence organization independent of ZOCCHI was established. VIDALI is stated to have had no sympathy for ZOCCHI and did not approve of the latter operating within his Party while remaining outside his jurisdiction.

ZOCCHI's Arrest. ZOCCHI was arrested about 25 November 1950 as a result of charges brought out during a trial of partisans at Brescia in July 1950 indicating that he and other leaders of Garibaldi (partisan) formations operating in the Friuli area had been responsible for the massacre of members of an anti-Communist partisan division called the "Osoppo" Division. The Italian Communist Party is reported to have been greatly upset by ZOCCHI's arrest; it held emergency meetings and sent protests to the Italian President. At a meeting of the Executive Committee of the Gorizia Federation on 27 November 1950 it was announced that Leopoldo GASPARINI of the Trieste pro-Cominform Party would take ZOCCHI's place as "director of the anti-TITO struggle." Another report has subsequently stated that following the arrest of ZOCCHI, GASPARINI and BERNETIC had taken over ZOCCHI's work and that GASPARINI was being trained in Prague in intelligence work in order to become ZOCCHI's permanent replacement. The description of ZOCCHI as director of the anti-TITO struggle could very well signify that the primary target of his intelligence service was Yugoslavia.

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IV. REORGANIZATION OF THE INTELLIGENCE APPARATUS-1950

- 13. VIDALI, Ultimate Local Pro-Cominform CP Intelligence Chief. In September or October 1950 when the pro-Cominform CP reorganized its intelligence staff and work plan, an "External Section" within a Party Work Committee was set up which would have sole authority for positive intelligence work conducted within the Trieste area. This Party-directed net reportedly operates for the benefit of the Soviet intelligence experts. VIDALI, as Secretary General of the Trieste pro-Cominform CP, has been known to exercise authority over this net on a few occasions when some intelligence problem came up in which he was personally interested, but otherwise, POSTOGNA functions as chief of the "External Section." An Internal Section, responsible for counterespionage and security matters, was set up also at this time; its organization and staff are discussed in paragraphs 54 through 63. It, too, is under the ultimate direction of VIDALI.
- which the External Section functions, is known simply as the "Work Committee of the Executive Committee." All important political work and reporting is done by the Work Committee which issues directives to the other committees, handles all day-to-day functions of the Political Secretariat and is considered the "brain and heart" of the pro-Cominform CP. Its modus operandi is known only to members of the Executive Committee.
- 15. External Section. Within the framework of the Work Committee is concealed the External Section which conducts espionage for the Cominform, and in the final analysis, the MGB. Leaders of the External Section are members of the Work Committee and they disguise their intelligence operations by also handling—within the Committee—political, propaganda and organizational matters for the Executive Committee.

a. He is known to have met personally an agent operating out of Rijeka, Yugoslavia to relay instructions;

b. He met clandestinely with two Party agents and briefed them on conducting espionage in Zone B;

c. On one occasion he briefed an agent on intelligence targets. Apparently when VIDALI's presence or intervention will lend weight to or ensure the success of a mission, he personally intervenes. POSTOGNA has stated that in his absence espionage matters can be discussed with VIDALI.

¹ The following are instances where VIDALI has participated in intelligence operations:

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- 16. Organization of the External Section. The External Section is divided into two branches both headed by POSTOGNA, each having the following coverage:
 - a. One branch conducts espionage in Zones A and B, covering the penetration of the proTITO (BABIC) Communist Party in both Zones and the exploitation of refugees to POSTOGNA; the latter has, however, made it clear that if something important happened in his absence, BALBI was not to be apprised.
 - b. The other branch operates against Yugoslavia and is headed by Maria BERNETIC who is assisted by Zorko SKRK. They both speak Serbo-Croat and Slovene, making them particularly well suited for this work.
- 17. Targets of the External Section. In general the External Section aims to procure as much information as possible about Yugoslav activities within Yugoslavia and in Zone B of Trieste. The principal objectives are reportedly:
 - a. the penetration of the Yugoslav Communist Party, the Yugoslav Army and Yugoslav political and economic institutions and the formation of clandestine anti-TITO units and espionage nets.
 - b. the recruitment of couriers to maintain contact with pro-Cominform nets in Yugoslavia and to carry propaganda material (largely pro-Cominform periodicals published by Yugoslav refugee groups in the Soviet Union, Czechoslovakia and Rumania) into Yugoslavia.
 - c. the debriefing of refugees from Yugoslavia who enter Trieste and who report to the pro-Cominform CP rather than going through the normal channels of reporting their arrival to the IRO. In some cases these persons are subsequently taken into the provinces of Friuli and Venice, or in most cases into the interior of Italy.
 - d. The procurement of information from Yugoslav refugees in displaced persons camps in Trieste and the dissemination of pro-Cominform propaganda among these people. Because of the extremely poor conditions in which they are living, they are reportedly demoralized and susceptible to conversion to Cominformism.
 - e. the penetration of the pro-TITO (BABIC) Communist Party in Zone A and the compilation of data on all pro-TITO activists in Trieste.
 - f. the penetration of the Yugoslav Communist Party in Zone B and the collection of military, political, economic and cultural information concerning this Zone.

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- g. the acquisition of information on Yugoslav connections in Trieste and the contacts which exist between Titoists in Zone B with British and Americans in Trieste.
- h. the identification and background information on all refugees residing in Trieste with the aim of gaining control over them.
- 18. External Section Procedure and Offices. As head of the External Section, POSTOGNA devotes himself entirely to espionage work except when important political problems arise which require his attention. Prior to the reorganization in 1950, POSTOGNA as has been stated, was responsible for both counter and positive intelligence for the Party. Now he is concerned only with positive intelligence, although he has interfered once or twice in affairs of the Internal Section and has been reprimanded for this by VIDALI. POSTOGNA's assistants are Maria BERNETIC, Teodoro BALBI, Zorko SKRK and Toni HROVATIN. POSTOGNA directs all espionage work from an office in the Casa Portuale, Party headquarters. With the exception of VIDALI, BERNETIC, SKRK and BALBI, no one is admitted to POSTOGNA's office without being announced by JURMAN or HROVATIN who serve as doormen. Reports written by hand are immediately typed and each agent is known by a number. Should police break into the building, they would find no valuable leads. POSTOGNA and BERNETIC keep only current work in their desk drawers, and intelligence files are sent to an unknown location outside Trieste. A girl called ADRIANA (lnu) acts as secretary to VIDALI, POSTOGNA and BERNETIC.
- 19. Solidarity Committee with Victims of TITO-Fascist Terrora Tool for External Section. POSTOGNA is titular head of this organization and uses it as more or less an advance base for his operations although he shows no particular interest in its overt activities. It is actually administered by Pina CATTARUZZI who is assisted by Ester COSSUTA (or KOSUTA) and Slavko SUSTERCICH, both Party members, and others. This Committee was organized within the framework of the Union of Former Political Persecutees in July 1950, with headquarters in Piazza Ponetrosso 6, second floor, Trieste. When founded, it was decreed that it would give aid to political refugees from Zone B and Yugoslavia who, because of their political opinions, had to abandon their homes and flee to Trieste. The aid is primarily in the form of small financial contributions, but also includes clothing, assistance in finding employment, and intervention with the local authorities. In the course of this charitable activity, the refugees are discreetly debriefed for information on Zone B and Yugoslavia and are assessed for recruitment.

l It has also been reported that the External Section is responsible for procurement of information concerning activities of other espionage services in Trieste—the American, British, Italian, etc., but to date there has been no confirmation of this.

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V. EXTERNAL SECTION OFFICERS AND THEIR INTELLIGENCE ACTIVITY

20. Giovanni POSTOGNA, Alleged Chief of Positive Intelligence.
Born 11 November 1903 in Muggia, Trieste, POSTOGNA has been a member of the Central Committee of the CP since 1941. He is known by the following aliases: IVAN, GIACOMO, Giacomo BUTORAC, JOHANN, STARI or IL VECCHIO. POSTOGNA is President of the Union of Former Political Persecutees in Trieste, and is a member of the International Federation of Former Political Persecutees. He travels as a delegate to the Congress of this Federation. He is a councilman in the district of Muggia and heads a group of pro-Cominform councilmen in that town. A mechanic by trade, for several years POSTOGNA has lived exclusively on the salary paid him by the Central Committee. He is described as having a very nervous temperament. POSTOGNA is serious, quiet, brief and determined when giving orders. He is allegedly not well liked by other members of the Central Committee because of his overbearing and opinionated attitude.

A Party member who was with POSTOGNA in the Dachau concentration camp made the following statement concerning him: "POSTOGNA was outstanding among comrades in the camp for his conduct. No one could corrupt him and he followed unwaveringly the Party line. At all times he was ready to die for the Party. He talked incessantly, however, of becoming a minister some day, and this was one of his weaknesses."

POSTOGNA usually remains in the background at Party events although on 11 February 1951 he gave a speech at the Third Party Congress on the living conditions of the Slovenes, Croats and Italians in Zone B. One Party observer states that VIDALI, POSTOGNA and Maria BERNETIC are the actual directors of the Trieste pro-Cominform CP.

21. POSTOGNA's Travel Outside Trieste. Once a month POSTOGNA leaves Trieste for a few days for unknown destinations. A report of November 1950 stated that he had attended a party course in Poland in September in company with Carmine LIPSIS and Luigi PASTORE of the Italian Communist Party. The course was to train people for partisan warfare. From 21 October to 21 November 1950 POSTOGNA allegedly attended a Party course at Budapest. He traveled via Vienna and seems to have spent some time there en route. He was accompanied by Ester COSSUTA. In January 1951 he went to Budapest to attend a special session of the Executive Committee of the International Federation of Former Political Persecutees. He was allegedly a delegate to an International Federation of Political Persecutees Congress in Vienna from 30 June to 2 July and remained there for twelve more days on unspecified business. On 6 August 1951 VIDALI, POSTOGNA and BERNETIC all left Trieste. It is known that VIDALI went to Rome and it was held likely that Rome was the destination of POSTOGNA and BERNETIC also.

¹ No confirmation has ever been received that this Congress actually took place.

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- 22. POSTOGNA's Interview with a Yugoslav Refugee. A Yugoslav refugee who was interviewed by POSTOGNA was asked to prepare in writing a detailed personal biography, a description of the political and economic situation in Yugoslavia and any information he could supply concerning the Yugoslav Army. POSTOGNA asked this individual to list all Cominformists he knew to be at liberty in Yugoslavia, those under arrest and their locations; to give details on those who had escaped; to tell about his life in Trieste; to name persons who had visited or interrogated him, and to tell about his future intentions. On another occasion when this prospective agent reported to POSTOGNA that the Field Security Section (FSS, the British counterpart of CIC) had made attempts to recruit him. POSTOGNA advised the agent to try to avoid the FSS. If this were impossible, the agent was to tell them nothing of consequence and meanwhile to keep POSTOGNA informed of all FSS requests. POSTOGNA did not request the agent to enter into a double game with the British service. He wisely did not manifest any interest in the penetration of a foreign intelligence service in the presence of an untried agent. If the refugee later came in with information concerning the British intelligence service, the case would presumably be turned over to DESTRADI of the Internal Section.
- 23. <u>POSTOGNA's Outline for an Operation in Yugoslavia</u>. In planning an operation involving the use of a Yugoslav mechanic residing in Rijeka who frequently visited Trieste, POSTOGNA outlined the project to include the following points:
 - a. that the prospective agent first be compromised by contributing to the "Red Aid" and by signing a slip stating that he had done this;
 - b. that the agent be placed in contact with a Cominformist doing forced labor in Rijeka with whom the agent was acquainted and in whom the pro-Cominform CP of Trieste apparently had confidence;
 - c. that the agent submit reports providing information about events in Rijeka;
 - d. that the agent be contacted at a later date by POSTOGNA or VIDALI to give him confidence and to assign to him a more important mission.

When the agent was asked to make a contribution to the Red Aid, he gave 500 lire, but he refused to sign any papers. Instead he requested that he be put in touch with a member of the Central Committee of the pro-Cominform CP. When the prospective agent next visited rieste, he and the Party member who had recruited him went to the Fish Market where they found Lino ZOCCHI in VIDALI's car. They all proceeded in the car to a restaurant where they could converse. Ado SLAVEC surveilled the meeting. ZOCCHI seemed very pleased with the interview and stated that

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he anticipated profitable work from the agent. He stated that the important thing which remained to be done was the proper evaluation of the information the agent would submit. Shortly after this meeting ZOCCHI was arrested and contact with the agent was lost. Later, through the Party recruiting agent, contact was regained and the agent was subsequently handled by BERNETIC. No further details are available concerning meetings between BERNETIC and the agent.

POSTOGNA's plan for compromising the agent was apparently based on the naive assumption that the agent—a resident of a Yugoslav city—would be foolish enough to sign a compromising statement. POSTOGNA's reason for wanting the agent to risk the danger of being observed in Rijeka with an exposed Cominformist is not wholly understandable, unless contact with the latter was particularly desired and it was considered less risky to have a new man rather than a proven Cominformist who had been able to conceal his affiliation make the contact. It also may have been a means of testing the new agent's ability to make discreet contacts without attracting the attention of security and police agents in Yugoslavia.

24. Maria BERNETIC. Possibly second in importance in pro-Cominform CP positive intelligence work is Maria BERNETIC, alias MARINA, who heads that part of the External Section which is concerned exclusively with Yugoslavia. She was born in 1902 at San Giacomo, Trieste, of Slovene origin but an Italian citizen. She joined the Communist Party of Italy in 1921 and by 1926 was one of its leaders. In that year she was arrested and interned for two years, and when released she became a member of the CP Federation Committee of Trieste. In 1931 she was again arrested for clandestine activity and was sentenced to four years imprisonment, but was released after two years. She served as political secretary of the Party in the western sector of Paris in 1936. The following year she returned to Italy acting as instructor in illegal activity until she was again arrested, this time receiving a ten-year sentence. With the fall of Fascism in 1943 she became a leading member of the PCI for Trieste. Hampered by police, she joined the Fontanot Brigade in the province of Friuli in 1944 and undertook unspecified political duties.

After the liberation BERNETIC was a member of the Central Committee of the Party in Venezia Giulia and was assigned to work among women. She is president of the Italo-Slovene Women's Anti-Fascist Union in Trieste, and was its delegate to the Women's World Congress in Prague in 1948. BERNETIC has made numerous trips to Yugoslavia where she has met TITO, KARDELJ and other Yugoslav leaders. She is stated to have worked for OZNA in the past in Belgrade. In 1947 she attended a special political course organized by the Yugoslav CP. After the Cominform resolution BERNETIC immediately decided in favor of the Committee of the Party in Trieste.

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BERNETIC is described as very brutal in her dealings with people; she is not well liked by women. She speaks harshly to subordinates, is sly and insincere, often speaking kindly to people she intends to harm. She is a very active, tireless person, although she is currently suffering from rheumatism. She speaks perfect Slovene, Italian, some Russian and a little Serbo-Croat and French. BERNETIC presently holds the following Party positions: member of the Central Committee, the Executive Committee, the Control Commission (one report states she heads the Control Commission), deputy to Political Secretary General of the Central Committee. She has been assigned by the Central Committee to concentrate on Party work among women; she serves as a member of the Women's World Union.

- 25. BERNETIC's Travels to Eastern European Countries. In October 1949 BERNETIC was in Warsaw and from there went on to Moscow at an unspecified date and had completed political courses at Lenin University. In June 1951 she went to Prague and to Sofia; the trip to Sofia was possibly to attend an Executive Committee meeting of the International Federation of Democratic Women. On 6 August she left Trieste for an unknown destination, possibly Rome. There are indications that BERNETIC makes frequent trips to Rome where she, VIDALI or FRANZA reportedly pick up directives for the Trieste pro-Cominform Party.
- as head of positive intelligence directed against Yugoslavia has been confirmed by reports describing interviews which BERNETIC had with a young Yugoslav woman (actually a UDB agent) who had gained an entree to pro-Cominform CP leaders through a friend highly trusted by that Party. The procedure BERNETIC prescribed for meeting the agent, her manner of conducting the interview, the targets in which she showed interest, and her instructions to the agent provide an interesting picture of BERNETIC as an intelligence officer. The following is a synopsis of BERNETIC's second interview with this Yugoslav woman (to be called JANKA here); the first interview had been conducted by Karel SISKOVIC (see paragraph 65) with BERNETIC as more or less an onlooker.

JANKA was told to meet BERNETIC at a certain trolley car station in Trieste at 3:30 in the afternoon and to carry a red sweater over her arm as a recognition signal in case BERNETIC did not recognize her. The latter was instructed not to approach BERNETIC but to wait until she was approached by her. At the time scheduled JANKA was met by BERNETIC who told JANKA to follow her. BERNETIC walked to another trolley car station and boarded a trolley with JANKA following at a close distance. They rode seated apart to the end of the line, got off the car and walked three times around a city block, JANKA always a short distance behind BERNETIC. BERNETIC then entered a building and JANKA followed. Once in the building BERNETIC led JANKA to an apartment where she told her to make herself at home. BERNETIC then

began to question JANKA, telling her to speak freely as she had been fully informed of her case by SISKOVIC. BERNETIC took notes of their conversation and queried her about the following persons: Marija SISKOVIC, a sister of Karel, and reportedly a UDB agent; Colonel FIDIJA with whom JANKA had had contact during World War II; a former lover of JANKA, (proving that she had been investigating JANKA since her first interview). BERNETIC also asked for details about an interrogation of JANKA by the UDB which had taken place early in 1951 and asked why it was that the UDB had not proposed that she work for them. JANKA said that they had asked her but that she had refused; JANKA remarked that the reason they had not insisted was probably out of consideration for her war record with the Partisans. JANKA said she had promised to supply the UDB with any items of interest she might come upon which was the duty of every loyal Yugoslav. BERNETIC asked JANKA to supply her with any information on other women in her town who were also opposed to TITC. JANKA told BERNETIC about one of her acquaintances who had spoken critically of the TITO regime. At this point BERNETIC warned JANKA not to protest too openly against TITO and conditions in Yugoslavia because JANKA was becoming valuable to the PCTLT and BERNETIC did not want her to get into difficulty with the UDB. BERNETIC asked for details concerning the UDB and was obviously well informed about UDB personalities in certain areas, particularly in Zone B. BERNETIC asked JANKA to tell her about all the UDB people she knew.

BERNETIC assigned a cover name to JANKA, then told her that for future contacts, she should call telephone number 24950, ask for ADRIANA, identify herself (using her cover name) and request an appointment with MARINA. ADRIANA would give JANKA the appropriate instructions. BERNETIC had no sooner given these instructions than she changed her mind, correcting herself by saying that if JANKA wanted to contact her she should go to an address on the Via Corridoni and ask for PADOVAN. Then again she stopped and thought a moment and told JANKA to disregard this "as a man is going to that place between three and five p.m. today." She then instructed that for future meetings JANKA should go to the top floor of a building on the Via Tiziano Vecellio and to knock on the door with the name MARIO on it. BERNETIC said a woman would answer the door and JANKA should tell her to find either MARINA or SISKOVIC as it was important. After the interview BERNETIC took JANKA to this address and introduced her to the woman. BERNETIC told JANKA never to go to the CP headquarters in the Barcola section of Trieste as that would be too compromising. She also told her not to visit Trieste more than once a month.

27. <u>BERNETIC's Handling of Agent JANKA</u>. For BERNETIC to walk three times around a city block followed closely by another woman carrying a red sweater would seem to be the easiest way of attracting the attention of any policeman on duty in the neighborhood or of any other persons who might have been passing the time of day by watching pedestrians. Perhaps BERNETIC did this to test JANKA's willingness to follow the orders of Party superiors no matter how riduculous they appeared.

The fact that BERNETIC wanted JANKA to use a recognition signal, even though they had met during a previous interview of some length, and the fact that BERNETIC took notes during their conversation, indicates that she has little trust in her own memory. BERNETIC apparently does not plan the details of her work in advance if we are to believe JANKA's report that BERNETIC changed her mind twice and gave three sets of instructions for future rendezvous, carelessly revealing to a relatively new agent two clandestine meeting places which were not to be used for the next contact with JANKA, but which were being used for contacts with other Party agents.

- 28. <u>Karel SISKOVIC</u>. Possibly working with BERNETIC in the branch of the External Section operating against Yugoslavia is SISKOVIC. His status has not been clarified, and it is equally possible that he is an officer of the Internal Section working to penetrate the UDB. (For further information concerning him see paragraph 65.)
- 29. Zorko or Albino SKRK. An assistant of Maria BERNETIC in intelligence operations directed against Yugoslavia, SKRK was born in Trieste in 1921 and is an Italian citizen of Slovene origin. In 1940 he attended advanced Party courses in Bologna. Prior to the Cominform resolution he was considered one of the most important leaders of the Communist youth movement in Trieste. He is employed by the Party in the executive offices of the Central Committee. He has the reputation among Communists of being the Party member with the best knowledge of the Slovene and Italian languages. At the Third Party Congress in February 1951, SKRK gave a talk on the political and economic situation in Yugoslavia, the terror exercised over the workers and peasants, the attempts to make Yugoslavia an imperialist colony and the miserable conditions in which the Cominformists live in Yugoslav jails.
- 30. Teodoro BALBI. This person has served, and may still function as head of the second branch of the External Section—that unit which conducts espionage in Zones A and B, covering the penetration of the pro-TITO CP in both zones and exploitation of refugees from Yugoslavia and other countries. Born in 1908 in Pula, Istria, he is of Croat origin, but an Italian citizen. He is the political secretary of an unspecified section; member of the directorate of the Union of Former Political Persecutees; member of the governing staff of Sindacati Unici, as well as of the Slovene-Croat Cultural Union. Until September

Party pay. He has been working in the executive administration branch of the Central Committee for a number of years and is very close to the directing body of the Party. He is described as a hardened fighter with a developed conspiratorial sense, cunning although below average intelligence. He is well educated in Marxism and is an extreme fanatic. BALBI has been a member of the CP since before World War II. He took part in the Narodna Oslobodilacka Borba (Peoples Struggle for Liberation - NOB).

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1950 he served as chief of the Cadre Committee. A report of early 1951 states that the occupant of this position is usually a high-ranking officer of the Internal Section and enjoys the full confidence of POSTOGNA.

When POSTOGNA was in Budapest from about 21 October to 21 November 1950, BALBI, who had been working as his first assistant for two months prior to that time, substituted as chief of the External Section. Why BALBI was chosen as the temporary chief instead of BERNETIC—who does not seem to have been away from Trieste at the time—is not known. Possibly the choice was POSTOGNA's own, since there is antagonism between him and BERNETIC and he may have felt that BALBI would be more loyal to him.

- Exiles. A report of January 1951 states that at the end of June 1950 the pro-Cominform CP set up a refugee committee on the orders of Senator Umberto TERRACINI at PCI headquarters in Rome. The purpose of this committee was not clearly stated but seems to have been founded to exploit exiles from territory ceded to Yugoslavia by Italy and from the Yugoslav Zone of Trieste for propaganda purposes. The original committee had a few meetings and on 19 November 1950, BALBI (described as "secretary of the Cadre Office") called another meeting under the name of the Central Committee of Cominformist Exiles (CCEC). This reorganized committee seems to deal exclusively with refugees from the Yugoslav Zone and its aims have been outlined as: (a) to attract the largest possible number of workers to the CCEC and (b) to make the committee numerically strong so that the Italian Government could be asked to subsidize it. BALBI undoubtedly exploited refugees contacting this committee for whatever information they could provide.
- 32. VIDALI Not Certain of BALBI's Loyalty. During the Third Congress of the pro-Cominform Trieste CP in February 1951 VIDALI made special mention of BALBI. He stated that it was learned before the Congress met that BALBI, while in a Fascist prison, had asked for a reprieve, and that consequently he could not be elected to the Central Committee. Another report has stated that VIDALI is distrustful of BALBI because he has a reactionary brother. According to information considered reliable dated June 1951, there was evidence that BALBI had lost favor and there was speculation among Communists at Party head-quarters that his dismissal from the External Section was imminent. Little has been reported concerning his ability as an intelligence operative.

VI. PARTY MEMBERS COLLABORATING WITH THE INTELLIGENCE APPARATUS

It has been fairly definitely established that certain Party members have been involved in the Party's positive intelligence operations. Among those in this category are the following:

man and receptionist at Party headquarters he serves a more important role for the Party in his work as POSTOGNA's assistant in intelligence operations. HROVATIN was born in 1906 in Trieste and is a bricklayer by trade. From 19/2 until the end of the war he was a Partisan in Piran and Umag, Istria, and after the liberation he worked in the Peoples' Partisan Headquarters in Umag. He is a member of numerous mass organizations, such as the Slovene-Croat Cultural Union, the Sindacati Unici, etc.

People who wish to speak to POSTOGNA at Party headquarters, even his closest collaborators in intelligence work, must be announced by HROVATIN. He allegedly is thoroughly acquainted with the work in the Internal and External Sections. POSTOGNA, VIDALI, BERNETIC and other members of the Central Committee trust him implicitly. It is said, however, that HROVATIN is afraid of POSTOGNA. He likes to get drunk and lives in utter misery.

The details of at least one case are known for which HROVATIN acted as the staff agent in handling a Yugoslav refugee the Party was considering using for espionage purposes. HROVATIN met with the prospective agent every three or four days for what appeared to be control meetings, and provided him with Communist publications to read. On one occasion he told the refugee that a Party man was going forward (presumably to a higher echelon) to check personally on the progress of the Party's investigation of him. Meeting places which HROVATIN uses in contacting Party agents are described in paragraph 48.

- External Section which conducts espionage in Zones A and B, GRASSI received orders in August 1950 to transfer to the Florence Federation of the PCI. In September 1950 he turned over all his contacts in Zone B and Trieste to an unidentified Party member. Three months later he handed over the remaining work he had on hand, and he went to Florence in January 1951. He is stated to have been very successful in organizing Cominformists in Zone B and in reporting on the work of Titoists in that Zone. On the basis of his studies, a brochure entitled. "Zone B, the Lawless Land" was written.
- 35. Toni JURMAN. A trusted member of the Party, JURMAN performs various errands for POSTOGNA. He is known to have assisted pro-Cominform Yugoslav refugees who reported to the Party (rather than to IRO) upon their arrival in Trieste. He helped some of these people in several known instances to cross the border into Italy illegally.

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- 36. Giuseppe GUSTINCICH. It is reported that GUSTINCICH knows all the details of POSTOGNA's work and may have been his predecessor as head of the pro-Cominform CP intelligence apparatus. He procures whatever data POSTOGNA needs from the City Records Office in Trieste. GUSTINCICH was dropped from the Cadre Commission about October 1949, but he was a member of the Executive Committee which was elected in February 1951 and was still a member of the Central Control Commission in June 1951.
- 37. Ado SLAVEC. In frequent confidential conversation with POSTOGNA, SLAVEC is undoubtedly involved in intelligence operations; the only instance which has been reported confirming this showed him acting as a guard for a meeting ZOCCHI had with a prospective agent a few weeks before ZOCCHI's arrest in November 1950. SLAVEC has been a Party member since 1942 or 1943. In August 1948 he became a member of the Executive Committee of the pro-Cominform CP and was made responsible for the Sindacati Unici under Ernesto RADIC. He was still a member of the Central Committee after the Party's Third Congress in February 1951. He often holds Communist meetings in the Monfalcone shipyards and gathers data on those opposing the Communist cause. A report of March 1949 stated that although he was pro-Cominform, he still visited Yugoslavia posing as a TITO man.
- 38. Miralda KOVACICH. Formerly secretary to POSTOGNA, KOVACICH is not known to have worked since she became ill in September 1950 with a lung infection. She used to carry out small missions for the Party such as accompanying clandestine border crossers from one town to another.

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VII. OPERATIONAL CONTACTS OF THE EXTERNAL SECTION

- 39. Party Intelligence Collaborators. Identities of persons who are known to collaborate with the pro-Cominform CP for reasons which—in the case of non-Party members—have not as yet been clarified include the following:
 - a. Igenio della VENEZIA, Chief of the Citizenship Department in the Trieste City Records Office (Anagrafe). Through Giuseppe GUSTINCICH he supplies data to the Party upon request, although he is not known to be a Party member or sympathizer.
 - b. Pietro CARLETTI, a former stevedore in Rijeka, Yugoslavia, worked in a liaison capacity between the pro-Cominform espionage services in Trieste and Rijeka. He now resides in Servole, Zone A.
 - c. and d. A report of May 1951 states that Ferruccio NEFAT and Giovanni BLAZICH are POSTOGNA's chief agents operating in Yugoslavia. They are reportedly contacted every other week by an unidentified woman courier from Trieste, who may be identical with Signora BONOMO (See paragraph 52).
 - e. Carlo PENTIC. A collaborator of POSTOGNA and a Party member. Meetings with Party agents are sometimes held in his home.
 - f. Carolina RIJAVEC, alias MIRA is Communal councilor for the Fogliano-Redipuglie-Doberdo district in the province of Gorizia. She was a close collaborator of Lino ZOCCHI and continues to make frequent trips to see officers of the Central Committee of the pro-Cominform CP of Trieste.

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VIII. OTHER COMMUNISTS POSSIBLY IN PARTY ESPIONAGE WORK

There are indications but no concrete evidence that other Party members also have specific espionage assignments. Among such persons the following have been reported:

- Ment since 1909, is one of the oldest members of the Party in Trieste. He very frequently visits POSTOGNA in his office and while they confer no one is permitted entry. BORZAGHINI lives on the salary paid him by the Party. Workers in the health department of the Sindacati Unici are under his direction and he also works in the Union of Former Political Persecutees in Trieste.
- 41. Giorgio JAKSETICH (or IACSETICH). He may be involved in the work of the External Section. He has been connected with shippard activities and is a member of the Central and Executive Committees of the pro-Cominform CP.
- 42. Giuseppina (Pina) CATTARUZZI. She is the Director of the Solidarity Committee with Victims of the Tito-Fascist Terror, of which POSTOGNA is titular head and which he allegedly uses for intelligence purposes. CATTARUZZI has been known to put Yugoslav refugees who had applied to the Solidarity Committee for aid in touch with Party intelligence officers. She sent one refugee to see Valentinis SPARTACO of the Internal Section. CATTARUZZI fought with the Partisans during the war. She was interned in the concentration camps at Auschwitz, Ravensbruck and Eherswald. She is currently a member of the Central Committee of the pro-Cominform CP and secretary of the Democratic Solidarity Association. She is described as intelligent, rather talkative and an adaptable and fanatical Communist.
- 43. Ester COSSUTA. She apparently enjoys the full confidence of POSTOGNA. She is a member of the Executive Committee of the Partisans' Association for the Free Territory of Trieste, a member of the Union of Former Political Persecutees, the Union of Democratic Solidarity and the Solidarity Committee with the Victims of the Tito-Fascist Terror. She works in the administration branch of the Partisans' Association and assists in administrative work of the Union of Former Political Persecutees. One report states that she assists Pina CATTARUZZI in the Solidarity Committee with Victims of the Tito-Fascist Terror. Until the issuance of the Cominform resolution, she worked for OZNA as an intelligence agent.
- 44. Bonomo TOMINEZ. This member of the Central and Executive Committees of the pro-Cominform CP was born in March 1902 and was elected to the Central Control Commission following the Congress of February 1951. All members of this Commission are the most trusted men of the Party and all are stated to have some espionage background.

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- 45. <u>Claudio TONEL</u>. Born 23 November 1927, he was reported in 1949 to be a member of the Central Committee of the Party. In January 1951 he is stated to have replaced Ferruccio PANDULLO (who left the Party) on the staff of <u>Il Lavoratore</u>.
- 46. Boris PERSOGLIA. Born December 1922 in Trieste, he is employed as legal editor by Il Lavoratore. In December 1947 he was stated to have many friends among persons connected with OZNA in Venezia Giulia. At that time he was reported living in a style inconsistent with the salary he earned.
- 47. BASSI, fnu., MONTECALVO, fnu., Iolanda DEFERRI. These individuals are allegedly connected with Party intelligence activity, but to date little is known of their status. BASSI is employed by the Communist publication, Unita. DEFERRI, a Central Committee member, has been active in women's cell activities.

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IX. MEETING PLACES USED BY THE EXTERNAL SECTION.

Most commonly used as meeting places by the Party intelligence service are cafes, bars and street corners. The cafes used are owned or operated by Communists or sympathizers and Party intelligence men are recognized and welcomed in these establishments.

- (located at Via Carlo Ghega No. 3) for meeting agents is owned by a man who had been a driver in his partisan unit in Istria, and HROVATIN apparently is well acquainted with the owner and his wife. HROVATIN also held numerous meetings with agents (at another cafe) and agents were instructed that if they wanted to contact HROVATIN in an emergency they could do so through one of the waiters there. On one occasion HROVATIN was known to meet an agent in the morning at a park bench in a public garden. In this case HROVATIN and the agent arrived and departed at different times. Brief contacts are sometimes held in the evening at a public square. Others which HROVATIN has had with agents in the evening took place on a canal bridge and on a street corner in the neighborhood of an agent's home. Some contacts were made in front of the main post office (in Piazza Vittorio Veneto) and several in the post office itself.
- Manner. One agent who had contacts with him never knew in advance when or where he would contact POSTOGNA. HROVATIN would meet the agent at a scheduled place and from that point they would proceed together to meet POSTOGNA. On each occasion they waited about one half hour for POSTOGNA to join them. Usually he arrived on foot and he apparently never tried to conceal his identity by altering his normal wearing apparel. On one occasion, POSTOGNA met the agent in an open field, arriving there in a car with a driver. The latter immediately drove the car to a spot nearby which was surrounded by high bushes. The meetings are guarded and surveilled by members of the Party, such as postmen, trolley car conductors, waiters and others, depending on where the meeting is held.

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X. COURIERS POSSIBLY FUNCTIONING FOR THE EXTERNAL SECTION

- is fairly certain that the pro-Cominform CP intelligence service undoubtedly utilized many couriers between points in Trieste, Yugoslavia and Italy, the identity of only a few has become known. It is possible that Karel SISKOVIC who is purported to be in charge of Party liaison with Soviet IS operatives may have charge of all courier activity for the Party. For example, one Aurelio FELLUGA alias CAPELIAN, a waiter on the SS SATURNIA and former UDB collaborator, now is reportedly working for SISKOVIC in serving as a Communist courier to the United States. He is stated to carry literature and probably funds between New York and Trieste.
- 51. Pro-Cominform Couriers between Trieste and Prague. Possibly a Party courier between Trieste and Prague is one PESENKO (or PECENCO), fnu. Maria BERNETIC was overheard telling Leopoldo GASPARINI that "Comrade PESENKO" would leave for Prague on 17 January (1951) and that he could take a package to GASPARINI's daughter there. BERNETIC requested GASPARINI to forward to Trieste his report for the Control Commission with the package, which GASPARINI agreed to do. PESENKO is possible identical with Francesco PECENCO, a pullman porter those address is Aidussina, Yugoslavia. The latter has been listed as decorated for his work by the Communist Party. According to one report, a Party intelligence courier between Trieste and Prague has been Giacomo BUTTORAC (or BUTTORAZ), born in Trieste 22 May 1926, a student who went to Prague in 1949 on a scholarship to study there for one year. He returned to Trieste about July 1950 and was asked by VIDALI to remain there and to do local Party work. It is not clear whether BUTORAC still has courier functions.
- 52. Courier Service into Zone B. A Signora BONOMO of Via d'Alviano 11, Trieste, is suspected of being a courier of the pro-Cominform CP. She goes to the Yugoslav Zone about every two weeks where her brother, "ORIENTE," and Rudi KATIC (or CATIC), both UDB agents, wait for her and then drive her to Pola. There she contacts Francesco NEFAT, President of the Peoples' Committee. The latter, "ORIENTE" and KATIC are all suspected of working for the pro-Cominform CP.
- 53. Others Possibly Serving as Couriers. Joze BERGMANN, Danilo MILICH, Stane STANICH, TINE (possibly identical with Franc LIPOVEC) all Party members and formerly serving as couriers may continue to perform similar duties. In 1948 and 1949 a courier between the Trieste services and those of Rijeka, Yugoslavia, was Ireneo KLAUSBERGER, a mechanic who is now located in the industrial section of Marghera, near Venice. His present Party functions have not been reported.

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XI. THE INTERNAL SECTION

The Party unit responsible for counterespionage, called the Internal Section, is found within the Organization Secretariat and carries out its intelligence activity under cover of Cadre Committee work. The existence of the Internal Section is known to all members of both the Executive Committee and the External Section and to certain members of the Central Committee; Executive Committee members can know about its work, but no other Party members, including those working in POSTOGNA's External Section, are informed of its activities.

54. Cadre Committee. This unit is placed within the Organization Secretariat to provide a legal pretext for the Cadre Committee's workincluding that of its sub-section, the Internal Section. Party espionage activity can be conducted camouflaged as "legal security work" of the Cadre Committee, with Party agents carrying out intelligence missions under cover of the normal activity required for "revolutionary vigilance." (See paragraph 64.) According to Party statutes "revolutionary vigilance" is a legal function, and Party members are instructed to conduct espionage and surveillance among themselves as well as against Party targets outside. Information procured on the cell and section level is apparently passed through cell and section organization secretaries to the Cadre Committee. The information is possibly analyzed here with positive intelligence being routed to the External Section and counterintelligence to the Internal Section. The head of the Cadre Committee is usually a top-ranking officer of the Internal Section who is fully trusted by POSTCGNA. The majority of the other members of the Internal Section also work within the Cadre Committee.

The Cadre Committee is usually referred to in Party circles as the Quadrovic and its normal duties, known to Party officials having the rank of cell leader or above, include the handling of disputes or misunderstandings which arise among Party members, training new personnel, conducting Party training courses, exerting constant vigilance against the development of unhealthy situations in the Party and other similar functions. Once it becomes clear that a case falls into the category of counterespionage it is turned over to the members of the Internal Section within the Cadre Committee who are under the orders of Alessandro DESTRADI.

The chief of the Cadre Committee until September 1950 was Teodoro BALBI. From that time until January 1951 this post was filled by Ricciotti SANTALESA. In January Valentinis SPARTACO took over the position.

55. Tasks of the Internal Section. Safeguarding the security of the Party is the primary function of this section; it must prevent the infiltration of enemy elements into the Party ranks, combat Titoism in Trieste and prevent it from penetrating the Party, prevent the occurrence

"fractionalism," "deviationism" and other dissident movements. The Section also collects local political information and other data of interest to the Party which it acquires in the process of carrying out its security work. Whether or not this overlaps any work done by the External Section and whether this type of information is routed to that section is not known. It is also not known whether the Internal Section has non-Communist agents operating outside the Party. In all probability it has agents placed in other political parties, in the anti-Communist unions and in those institutions in Trieste which are not covered by the External Section.

- 56. Handling of Disloyalty Cases. Should an instance of Titoism, British or American penetration, or other enemy infiltration be uncovered, it is handled by either the Internal or External Section through the Cadre Committee as though it were a normal "revolutionary vigilance" case. The completed report is sent to the Central Control Commission for a final decision. If the penetration case involves a Party member and requires his expulsion, the case apparently is referred to the Central Control Commission for action. The Commission is composed of the most trusted members of the Party, all of whom reportedly have had espionage experience. The chief of this Commission is Maria BERNETIC and the staff includes Giuseppe GUSTINCICH, Valentinis SPARTACO, Leopoldo GASPARINI and Bonomo TOMINEZ.
- 57. Penetration Case Handled by the Internal Section. A few details are available concerning a penetration case which—at the request of VIDALI—was handled by Alessandro DESTRADI and Silvio RAVBAR. The agent in question, a Party member to be called PIETRO here, was suspected by POSTOGNA of being a British agent. DESTRADI and RAVBAR instructed another Party member, LUIGI, to cultivate PIETRO and to express criticism of VIDALI and the Cominform. A third Party member, EZIO, was instructed to give PIETRO the impression that none of the pro-Cominform Party members had any faith in LUIGI, and to denounce him as a Titoist. VIDALI or POSTOGNA would intervene in meetings between EZIO and PIETRO whenever it was felt that their presence would lend weight to EZIO's story. Elio GIACOMINI reportedly also gave advice in the handling of this case.

As it turned out, PIETRO seemed to be aware from the beginning that LUIGI was a provocateur and gave him little information. PIETRO was expelled from the Party on the grounds of having broken a regulation (not further specified) and for inactivity. The Party appears to have decided that PIETRO was not a member of any dissident Communist group, but that he was one of an independent group engaged in espionage and that his sympathies were probably Fascist.

58. Staff of the Internal Section. Presently the following Party members serve in this unit: Alessandro DESTRADI, Silvio RAVBAR, Elio GIACOMINI, Ricciotti SANTALESA, Valentinia SPARTAGO and Edgardo PIERI. Although until very recently DESTRADI appeared to head the Internal

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Section, there are reportedly indications (as yet not clarified) that GIACOMINI is actually chief. RAVBAR, the assistant director, is stated to direct a net made up predominantly of Slovenes and Croats, presumably because of the fact that he is the only member of the Section who speaks the two languages.

- 59. Alessandro DESTRADI. An electric welder by trade, DESTRADI had worked exclusively in Party activity until about September 1951. Born 8 October 1911 in Muggia, he is an Italian national who has been a Party member since 1942. His wife, Gigliola, is stated to be a highly respected and trusted Communist. He has been a leader of the Italo-Slovene Anti-Fascist Union (UAIS), president of the regional committee of the Sindacati Unici (SU), political secretary of the pro-Cominform CP. In the spring of 1951 he was serving as a member of the Central Committee, the Executive Committee and as organization secretary. A dispatch of June 1951 even stated that he appeared to be directing the Party in the absence of VIDALI and BERNETIC.
- 60. Elio GIACOMINI. Active in organizational work for the Party, GIACOMINI has given many speeches for groups of Party members generally urging that efforts be made to increase Party membership but at the same time to increase "revolutionary vigilance" activity.
- 61. Ricciotti SANTALESA. Also a member of the Internal Section, SANTALESA is known to be fully trusted by POSTOGNA. Born August 1914, an Italian citizen, SANTALESA is a manual laborer and carpenter who did not work in this capacity in 1950 because of his position as a paid politician of the Central Committee of the pro-CominformCP. Early in 1951 he returned to his job in the San Rocco Shipyard in Muggia, although he continues to spend his free time with the Central Committee in Trieste. As of May 1951, he was a member of the Central Committee, political secretary of the Party section in Muggia, active union leader in the San Rocco Shipyard in Muggia, and was elected to the communal council in Muggia in 1949.
- 62. Valentinis SPARTACO or Valentin SPARTACO. About thirty years of age and an Italian citizen, he replaced Ricciotti SANTALESA as chief of the Cadre Committee of the pro-Cominform CP. The chief of this committee allegedly is always a top-ranking officer of the Internal Section (CE unit) who is fully trusted by POSTOGNA. He is described as below average intelligence, having little education, but fanatical and willing to die for the Communist cause. SPARTACO is a member of the following Party organizations: Central Committee, to which he was elected during the Third Party Congress on 13 February 1951; Central Control Commission of the Central Committee; and the directing staff of the Sindacati Unici.

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63. PIERI, Edgardo (or Eduardo). This young Party activist is a member of the Executive Committee of the Party. An unconfirmed report dated June 1950 stated that he had been transferred from the secretaryship of the fifth district (rione) to the post of Party organization secretary at the Casa del Lavoratore Portuale (Party head-quarters). Whether he actually held this post at any time is not clear, but it is fairly certain that he has worked in the organization secretariat and in the Internal Section. At a closed meeting of organization secretaries (presumably of the sections) in October 1950, PIERI issued directives to Party members employed by British or Americans instructing them in ways to conceal their Party affiliation.

XII. REVOLUTIONARY VIGILANCE

- Security Measures. As cover for intelligence activity, Party agents—probably of both the External and Internal Sections—claim to be members of the Cadre Committee working on "revolutionary vigilance." This, according to Party statutes, is a legal activity. Individual Party members who inform as part of their normal duty to the Party, very likely also would explain their activity in this way. In Trieste the need for revolutionary vigilance is continually stressed by Party leaders. Here it apparently is the organization secretaries who are responsible at section level for briefing Party members in "revolutionary vigilance" work and for collecting information from cell secretaries which is reported as a result. In recent months VIDALI himself has addressed section organization secretaries on this subject. Jell secretaries have been briefed by DESTRADI, GIACOMINI, GASPARINI and PIERI. Directives issued by Party leaders concerning revolutionary vigilance can be summarized as follows:
 - a. The Trieste pro-Cominform CP, like the Parties of Italy, France, Czechoslovakia, etc., has a Central Committee; but the Trieste Committee, being smaller, is more vulnerable than the others and therefore demands greated "revolutionary vigilance" on the part of its members.
 - b. Never before has a Party as small as the Trieste pro-Cominform CP been the center of so much interest. This is due to the fact that the Trieste Party plays such an important role in its part of the world. The Western powers are spending fabulous sums of money to spy on the Trieste pro-Cominform CP and have assigned their most qualified agents to Trieste to learn the Party's intentions.
 - c. The "enemy of the working classes" strives to infiltrate and penetrate the Party in order to disrupt it and eventually to cause its disintegration. It requires keen discernment to ferret out these individuals before they advance to influential posts.
 - d. The presence of American and British troops and their hundreds of agents, plus the large number of Titoist agents in Trieste makes the Party's position especially difficult. These agents try to corrupt Party members by offering them large sums of money and lucrative positions. Therefore, Party cadres must be checked from top to bottom each month, and a study made of each individual and his activity from day to day. Every Party member's attitude must be subject to scrutiny for any suspect change.

Because of all these dangers to the Party's existence, it maintains that it is legally justified in exercising "revolutionary vigilance" to protect itself from enemy penetration and to prevent the defection of its less stable members.

XIII. LIAISON WITH THE SOVIET I. S.

- 65. SISKOVIC Possibly Charged with This Function. Information about Party intelligence liaison with MGB agents is meager but there has been one report that Karel SISKOVIC is the Party man responsible for this function. The pro-Cominform CP is stated to be extremely worried because of the control the UDB has over SISKOVIC's movements through his sister, Maria, a UDB agent, who lives at Via Castellone 3, Kopar. SISKOVIC is also under UDB observation through another of its agents in Kopar, a woman called Vida, whose last name is possibly KOKELJ.
- 66. Major FIDIJA. SISKOVIC is stated to have passed intelligence information to the Soviets through an MGB representative in Rome known by the name Major FIDIJA, who had been a member of the Soviet mission or delegation to Slvoenia in 1944-1945. FIDIJA reportedly arrived in Trieste for the first time in May 1945 with the Soviet XX Corps, residing over a certain period at Borgo Grotta Gigante. After an absence of unspecified duration FIDIJA returned to Trieste sometime in 1946 and lived in the Santa Anna district. He later (exact time not known) went to Italy—probably Rome. FIDIJA is reputedly thoroughly acquainted with Italian and Trieste problems. SISKOVIC has been introduced to FIDIJA by Rudi URSIC in 1947. The UDB is said to believe it improbable that the Soviets continue to use FIDIJA in Italy where he is compromised by his past activities.

SISKOVIC was born 14 April 1927 in Istria, Italy. He is married to Natlia KODRIC and has one son born July 1947. SISKOVIC was working for two pro-Cominform papers, Primorski Devnik, a Sovene daily, and a weekly, Delo, until he was dismissed from the staff of the latter about September 1949 due to lack of funds. About that time he was elected to the Central and Executive Committees of the pro-Cominform CP of Trieste. In the spring of 1950 SISKOVIC took a course at the Italian CP Cadre School in Rome. At the Third Congress of the pro-Cominform PCTLT in February 1951 SISKOVIC spoke about the Party's activity against TITO, telling about the measures taken on the local and international level to isolate Yugoslav Communists. He predicted that the Yugoslav people would soon execute "socialist justice against Yugoslav assassins and spies." The UDB suspects SISKOVIC of being a major link between the Soviet IS and the VIDALI Party, as well as head of an anti-UDB net operating inside the Party. SISKOVIC is known to have interviewed at least one potential agent who could possibly provide information about the UDB. He asked this individual to supply names of persons in her city (in Zone B) who had pro-Cominformist tendencies.

It is remotely possible that FIDIJA is identical with Fedor Ivanovich VIDYASOV, former First Secretary and Counselor of Soviet Embassy, Paris. VIDYASOV has also been described as former Press Attache, Paris, and as having been President of the University of Leningrad. A report from Paris dated June 1948, stated that VIDYASOV was "believed to be in London engaged in intelligence activities."

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67. Anatole ZAKHAREVICH. It is reported that in the past SISKOVIC also was in contact with Anatole Petrovich ZAKHAREVICH, former SOVEXPORT-FILM representative in Rome, who was possibly an MGB agent or cut-out. ZAKHAREVICH had arrived in Rome in December 1948 from Holland where he had been part-time employee at the Soviet Embassy in The Hague, part-time worker with the Soviet Trade Delegation in Amsterdam, and SOVEXPORTFILM representative. In Holland he is said to have been regarded as a "shady businessman" rather than a diplomat. ZAKHAREVICH probably left Italy about May 1950.

Although it is stated that SISKOVIC reports to contacts in Rome, he is believed also to have met a Soviet agent at a Hotel Aschgang (or Ausgang, sic) near a small lake called the Faakersee in the vicinity of Villach, Austria in late May 1951.

SISKOVIC recently told a certain PERTOT of the Cultural and Political Center of Barcola that he was about to report to Rome.

XIV. PRESENT STATUS OF PRO-COMINFORM CP INTELLIGENCE APPARATUS

- Partisan Activities. The outline presented above of the Party's intelligence apparatus is the probable organization until approximately September 1951. At an unspecified time during the late summer of 1951 the Trieste pro-Cominform CP is stated to have received orders from the Soviet Union to remove from directing positions all Party members who were associated with Yugoslav Partisans during the liberation of the Venezia Giulia province. It was maintained that men in that category, because of their past activities, compromised the line taken by the Italian Communist Party, and which VIDALI has allegedly been ordered to follow, the advocation of the return of Trieste to Italy. In October, VIDALI, who is stated to have feared that an announcement of this would cause a split in the pro-Cominform Party of Trieste, sent a delegation to Rome to discuss the problem with TOGLIATTI.
- 69. <u>Party Intelligence Officers Affected</u>. To date at least three Party officials who allegedly have been connected with the intelligence apparatus have been removed from office because of past association with Yugoslav partisan affairs:
 - a. Alessandro DESTRADI Executive Committee member, Organization Secretary and head of the Internal Section of the Party's intelligence organization. He had served as an administrative officer in the post-war Pokrajinski Narodni Osvodbodilni Odbor (PNOO, Regional Committee of National Liberation). He was not named as a candidate for the elections, scheduled to take place in late 1951, and is awaiting orders to go to Italy. He is stated to be angry and upset.
 - b. Giuseppe GUSTINCIC, a member of the Central Control Commission, was not nominated as a candidate for the administration elections in Trieste. He had served as a police and espionage officer in the PNOO and was governor of Trieste for a short time in 1945. He is reportedly very depressed and offended by the Party's line of action.
 - c. Leopoldo GASPARINI, who had probably taken over some of Lino ZOCCHI's work, has been transferred to Rome for similar reasons.

To date, the identity of their replacements in the Trieste intelligence apparatus has not been ascertained. Ado SLAVEC, a probable collaborator of POSTOGNA, Central Committee member, etc., is said to be an exception in this Party shake-up. He too had been an outstanding Partisan and an official during and after the fighting in Venezia Giulia. He is being retained in top-level Party offices to play up to Slovene elements in Trieste. What the fate will be of other activists who formerly had fought with the Partisans and who have been engaged in intelligence work for the Party, such as Ricciotti SANTALESA, Valentinis SPARTACO and Antonio HROVATIN, has yet to be learned.

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XV. OBSERVATIONS AND CONCLUSIONS

It is thus evident that the pro-Cominform CP of Trieste has a professionally organized intelligence apparatus conducting operations against targets which would be of special concern to the Soviet Union. Since there is no evidence to date of Soviet involvement in any of these operations—indeed, it is difficult to prove any direct liaison with Soviet nationals—it is very likely true that activities of the pro-Cominform CP intelligence apparatus are carried out with a minimum of Soviet direction.

- 70. VIDALI's Close Connection with Party Espionage. The Party's importance to the Soviets is indicated by the fact that VIDALI was: sent there to head it. While many of the details of VIDALI's career are not known, it has been reported that he has had at least six years of training in the Soviet Union. He was assigned to carry out responsible Communist Party work in both the United States and Mexico and there is some evidence that for many years he has served as a Soviet intelligence agent. A person of trust in the pro-Cominform CP is quoted as having stated: "The Bolshevik Party sent VIDALI to Trieste to carry out espionage and internal control functions." This individual also stated that VIDALI had been working on the "treason" case involving Yugoslavia prior to the Cominform resolution denouncing TITO. VIDALI's direct involvement in espionage work-even the interviewing of agents. in certain cases -- indicates his close interest in and probable supervision as well, over Party intelligence work. BERNETIC apparently seeks his advice rather frequently on operational matters. POSTOGNA has instructed Party operatives subordinate to him that in his absence. important intelligence matters concerning Zones A and B are to be discussed with VIDALI and not with his assistant in charge of those areas. Teodoro BALBI.
- 71. Organization and Leadership. The Party's intelligence apparatus—until September 1951—as far as can be determined was rather well organized and was under the leadership of experienced personnel. The changes which have taken place in the apparatus since the directive from Rome allegedly ordering the removal from Party office of persons formerly associated with Yugoslav partisans have not yet been fully reported. The intelligence directors serving under VIDALI, POSTOGNA and BERNETIC, both appear to have had specialized intelligence training during visits to Eastern capitals. BERNETIC had had experience in espionage while working for OZNA.
- 72. Operational Methods. At least in the handling of prospective agents the Party intelligence unit follows orthodox techniques: the acquiring of a complete biographical statement from the agent; a detailed report of his knowledge of the economic and political situation in the area on which he is qualified to report—showing his ability to

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observe and comprehend local problems and trends; an attempt to compromise the agent; and testing of his reliability by assigning to him simple questionnaires the answers of which are already known to the Party.

73. Party Intelligence Work at Least Partially Successful. From statements and queries expressed during interviews with prospective agents residing in Zone B, it would appear that the pro-Cominform CP intelligence apparatus has good coverage of that area. Whether or not this is true also of Yugoslavia cannot be determined from available information.

The Party's Internal Section seems keenly aware of the dangers threatening the Party's security—the presence of Titoist agents, agents of Western intelligence services, etc., and appears to be on constant guard against possible cases of infiltration.

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